

**City of Corunna
Proposed E85 Inc. Ethanol Plant
Frequently Asked Questions (FAQ)
May 24th, 2007**

This FAQ is provided as a follow-up to our initial FAQ release on January 9th, 2007. It is based on the information that is currently available to us. Over the coming weeks and months, we will have additional information available to present.

In an attempt to provide consistent and comprehensive information, an "Ethanol" information page has been added to our City of Corunna web site. www.corm.us

PLEASE, feel free to contact Corunna City Hall, at 989-743-3650, or the Shiawassee Economic Development Partnership (SEDP), at 989-723-5149, for more information or to provide us with your questions and concerns.

Questions may also be emailed to us at: e85@corm.us

Has E85 Inc. received their Air Quality Permit?

A public hearing on E85's air quality permit was held on May 16th, 2007. This hearing was conducted by the Michigan Department of Environmental Quality (MDEQ) Air Quality Division (AQD). This is the final stage of the permit process, and it is expected that a permit will be issued in the next several weeks.

How does E85 Inc. plan to control emissions from the plant?

E85 proposes to control emissions from the plant with three scrubbers; ten fabric dust collectors; two thermal oxidizers integrated with the dryers; four condensers; two flares; and internal floating roofs on the five ethanol and gasoline denaturant storage tanks.

What are the health impacts of air emissions on people in the area, including students in the schools, nursing homes residents, and people with asthma, etc.?

The MDEQ-AQD reviewed the emissions from the proposed plant and, using computer modeling, compared the emissions to the state and federal health based standards. The review showed the emissions are not expected to cause harm to anyone, including children, the elderly, and people with illnesses. The health based standards are designed to protect the most vulnerable members of society.

Will the facility generate odors?

Although ethanol plants have the potential to generate odors, the MDEQ-AQD does not expect the proposed plant to cause odors that would interfere with the comfortable enjoyment of life and property. The emission controls and odor management plan required by the proposed permit are expected to minimize odors from the facility.

Will the facility meet its emission limits?

The proposed permit requires emission controls to be operated properly at all times. Emissions from the facility would be verified by testing. Specialized MDEQ-AQD staff would review and approve the test methods and results.

What oversight of the facility will there be?

The MDEQ-AQD will conduct periodic inspections of the facility to determine if E85, Inc. is complying with the permit. In addition, MDEQ-AQD staff will respond to citizen complaints regarding air related issues.

What other approvals & permits will be required?

The site plan for the project is still under development and will require approval by the Corunna Planning Commission. State permits will be required for water and sewer extensions to the site, as well as non-contact cooling water discharge from the site. Storm water retention plans will require approval from the Shiawassee County Drain Office. Building, Plumbing, Electrical, and Mechanical permits will be required by the City of Corunna. Industrial Facilities Tax Abatements will require approval by the Corunna City Council. The Corunna City Council will also be required to approve any city expenditures and grant applications.

Has E85 provided a conceptual rendering of the proposed plant?



The above conceptual was provided on May 17th, 2007. A double rail loop is proposed to increase plant efficiencies and reduce congestion on the rail. The Corunna facility would likely have the plant built inside the rail loop opposed to outside as depicted in the conceptual.

Has architectural design work been completed on the plant?

No. Design Engineering is still in process. This work is being performed by Fru-Con Construction Corporation.

Has a construction management firm been selected yet?

No. As soon as a firm is selected, area businesses and vendors will be notified via the Shiawassee Regional Chamber of Commerce.

Who do I see to get a job at the plant?

E85, Inc. is not yet accepting job applications. Due diligence, engineering, site infrastructure and construction are lengthy processes. If all goes well, the plant would not go into production until late 2008 or early 2009.

Does E85 have final plans on their water needs?

No. One test well has been installed by the Shiawassee River. The City of Owosso has agreed to sell their surplus water capacity if needed. E85 intends to install multiple well fields along the river basin to self-supply. This water would be piped nearly a mile to the proposed site. The project is expected to cost Two to Three Million Dollars. E85 is expected to proceed with design engineering in the near future. Malcolm Pirnie is the design engineer for this project. This engineering work will be performed to assure compliance with all state and federal regulations designed to protect the public and our ground water supply.

Has engineering work for road and public infrastructure needs been completed?

No. This engineering work will be performed by local engineers C2AE (formerly Capital Consultants) and Rowe Engineering.

How much will E85 pay in local property taxes?

Preliminary estimates are that E85, Inc. will pay in excess of One Million Dollars per year in local property taxes to support the operations of the City of Corunna, Shiawassee County, Corunna Public Schools, Shiawassee Regional Education Service District, Shiawassee Medical Care Facility, Shiawassee Council on Aging, and the Community District Library.

What additional reviews will be performed by the city?

As part of site plan review, landscaping, forestation, lighting, parking, traffic, fencing, safety issues and noise limitations will be evaluated to ensure compliance with requirements of the Corunna City Code of Ordinances. These requirements are a function of the Corunna Planning Commission.